



REHABILITATION PROGRAM FOR SMALL RENTAL PROPERTIES FUNDING GUIDELINES

The following issues serve as a guide to the Department when making funding decisions. To be considered for funding, an applicant must meet the following:

1. Mission Statement - The project protects and preserves existing affordable housing that might be removed from the affordable housing supply; or the project is in a target area, and/or meets a County priority, identified County community development neighborhood initiative, or a pressing urgent need approved by the Director.
2. Public Purpose - The units assisted with County funds offer affordable rents that are at or below market rents, or the properties are located in target areas.
3. Financial Feasibility and Financial Need - The applicant has documented that the financing by the County is necessary for the project. The applicant submitted a well-prepared and sound sources and uses of funds, a five or 10 year pro forma showing operating income and costs and the debt coverage ratio, and information on how the property will be managed. The applicant has documented that the financing by the County is necessary for the project. The project will require a one-time infusion of funds.
4. Owner or Manager Capacity - The applicant has provided documentation that demonstrates that the owner or manager has the capacity to manage the property well or has the ability to learn through training or other mechanism how to be a good property owner and manager.
5. Leveraging - The County prefers to be providing no more than 75% of the total costs of a project, but can lend up to 90% of the costs in some instances.
6. Cost Reasonableness - The budget line items and the price per unit are reasonable. All rehabilitation work funded by County resources must be appropriate and necessary.
7. Project Design - The project is well designed and feasible. The proposed work improves the property's appearance and makes the property a better "neighbor" in the area.
8. Physical Assessment (Rehab) - The proposed work will meet the physical repair needs of the building and improve operating costs, and the level of rehab proposed is appropriate, adequate, and feasible. The work corrects all housing code violations. The property has been or, will be, tested for the presence of lead and is complying with the Maryland Department of the Environment's lead paint regulations.
9. Owner or Manager Capacity - The applicant has provided documentation that demonstrates that the owner or manager has the capacity to manage the property well or has the ability to learn through training or other mechanism how to be a good property owner and manager and to be able to implement the principles and practices of effective property management.